STATE OF SOUTH CAROLINA

BEFORE THE PUBLIC SERVICE COMMISSION

DOCKET NO. 2017-2-E

In the Matter of:	)	
	)	**PETITION FOR REHEARING OR RECONSIDERATION**
Annual Review of Base Rates for Fuel Costs for South Carolina Electric & Gas Company	)	

INTRODUCTION

The South Carolina Coastal Conservation League ("CCL") and Southern Alliance for Clean Energy ("SACE") (collectively, the "Conservation Groups") respectfully petition the Public Service Commission of South Carolina ("Commission") for rehearing or reconsideration of its April 27, 2017 order Approving Fuel Costs and Adopting Settlement Agreement, Order No. 2017-246 (the "Order"). More specifically, the Conservation Groups request a rehearing or reconsideration of the Commission's determinations regarding South Carolina Electric and Gas Company's ("SCE&G" or the "Company") avoided cost calculations and rates offered in the Company's PR-2 tariff.

The Conservation Groups respectfully submit that the Company's avoided cost calculations and rates in the PR-2 tariff fail to comply with S.C. Code Ann. § 58-27-810, which states that every rate "made, demanded or received by any electrical utility … shall be just and reasonable." S.C. Code Ann. § 58-27-810. Conservation Groups further submit that the Company's avoided cost calculations and PR-2 rates fail to comply with

regulations implementing the Public Utility and Regulatory Policies Act ("PURPA") requiring rates that are "just and reasonable," "in the public interest," and do "[n]ot discriminate against qualifying cogeneration and small power production facilities." 18 CFR 292.304(a).

The Conservation Group's interest in this proceeding and petition for rehearing or reconsideration is to ensure accurate and fair valuation of avoided costs and the related tariffs proposed by the Company. CCL is a nonprofit organization whose mission is to protect the natural environment of the South Carolina coastal plain and to enhance the quality of life in their communities by working with individuals, businesses and government to ensure balanced solutions. CCL supports the development of energy policy that is in the public interest of South Carolinians. SACE is a nonprofit organization whose mission is to promote responsible energy choices that create global warming solutions and ensure clean, safe and healthy communities throughout the Southeast. SACE and its members are interested in promoting greater reliance on clean energy resources to meet the South's energy needs. CCL and SACE have members from across the State, including members who receive electric service from the Company and are impacted by the decisions made by the Commission regarding renewable energy and avoided cost determinations that influence the future of renewable energy investment in South Carolina.

PROCEDURAL BACKGROUND

This annual fuel cost proceeding began with the Notice and Filing and Hearing Prefile dates and with a letter dated October 12, 2016 from the Commission Clerk's Office instructing the Company to notify affected customers and to publish a Notice of

Hearing and Prefile Testimony Deadlines ("Notice") in newspapers of general circulation in the area affected by the Commission's annual review of the Company's fuel purchasing practices and policies on or before January 6, 2017. On November 29, 2016 and December 16, 2016, the Company filed affidavits demonstrating compliance with these requirements.

Petitions to intervene were received from South Carolina Energy Users Committee ("SCEUC"); CMC Steel South Carolina ("CMC Steel"); South Carolina Coastal Conservation League ("CCL") and Southern Alliance for Clean Energy ("SACE"); South Carolina Solar Business Alliance, LLC ("SBA"); and Southern Current, LLC. The foregoing petitions to intervene were not opposed and were granted by the Commission. The South Carolina Office of Regulatory Staff ("ORS") is automatically a party to this proceeding pursuant to S.C. Code Ann § 58-4-10(B).

The Commission convened a hearing on this matter on April 6, 2017, with the Honorable Swain E. Whitfield, Chairman, presiding. SCE&G was represented by K. Chad Burgess, Esquire, Matthew W. Gissendanner, Esquire, Mitchell Willoughby, Esquire, and Benjamin P. Mustian, Esquire . SCEUC was represented by Scott Elliott, Esquire. SBA was represented by Timothy J. Rogers, Esquire, and Benjamin L. Snowden, Esquire. Southern Current, LLC was represented by Richard L. Whitt, Esquire. CCL and SACE were represented by J. Blanding Holman, Esquire and Lauren Joy Bowen, Esquire. CMC Steel and its counsel of record did not appear at the hearing. Jeffrey M. Nelson, Esquire, and Andrew Bateman, Esquire represented ORS. In this Order, ORS, SCEUC, SBA, Southern Current, LLC, CCL, SACE, CMC Steel, and

SCE&G are collectively referred to as the "Parties" or sometimes individually as a "Party."

At the outset of the hearing, counsel for ORS presented a Settlement Agreement that was filed with the Commission on March 30, 2017. The signatories to the Settlement Agreement were SCE&G, SCEUC, and ORS (collectively, the "Settling Parties"). The Settlement Agreement was admitted into the record as Hearing Exhibit 1. CMC Steel was not a signatory to the Settlement Agreement, though it did not oppose the settlement agreement. CCL, SACE, SBA, and Southern Current, LLC were not signatories to the Settlement Agreement and contested certain issues that were addressed in the Settlement Agreement, including determination of the Company's avoided cost calculations and related rates.

Through their personal appearances, SCE&G presented the testimonies of George Lippard III, Keith C. Coffer, Henry E. Delk, Jr., John S. Beier, Michael D. Shinn, John H. Raftery, Joseph M. Lynch, Ph.D., and Allen W. Rooks. Through his personal appearance, CCL and SACE presented the testimony of Thomas J. Vitolo, Ph.D. Through their personal appearances, SBA presented the testimony of Paul Fleury and Ben Johnson, Ph.D. Through their personal appearances, ORS presented the testimonies of Robert A. Lawyer and Brian Horii in a panel format. The testimony of ORS witness Willie J. Morgan and Gaby Smith were stipulated into the record.

SCE&G witnesses were presented in a panel format and their direct and rebuttal testimonies and exhibits were admitted into the record without objection. CCL and SACE witness's direct and surrebuttal testimony and exhibits were admitted into the

record without objection. SBA's witnesses' direct and surrebuttal testimony and exhibits were admitted into the record without objection. ORS witnesses were presented in a panel format and their direct testimonies and exhibits were admitted into the record without objection. Each of the witnesses who testified by personal appearance presented summaries of their testimony and then were made available for cross examination and to respond to questions from the Commission.

The Commission issued Order 2017-246 on April 27, 2017, approving the settlement agreement between the Settling Parties. The Order, specifically as it relates to approval of the Company's avoided cost calculations and rates in the PR-2 tariff is the subject of this petition for rehearing or reconsideration.

APPLICABLE LAW

S.C. Code Ann. § 58-3-140(A) vests the Commission with the "power and jurisdiction to supervise and regulate the rates and service of every public utility in this State…" "*Every* rate made, demanded or received by any electrical utility … shall be *just and reasonable*." S.C. Code Ann. § 58-27-810 (emphasis added).

S.C. Code Ann. § 58-27-865 sets out the procedure for review and recovery of the Company's annual fuel costs. This section further provides for review and recovery of "incremental and avoided costs of distributed energy resource programs and net metering as authorized and approved under Chapters 39 and 40, Title 58, [which] shall be allocated and recovered from customers under a separate distributed energy component of the overall fuel factor that shall be allocated and recovered based on the same method that is used by the utility to allocate and recover variable environmental costs." S.C. Code Ann.

§ 58-27-865(A)(1). Incremental DER program costs are "all reasonable and prudent costs incurred by an electrical utility to implement a distributed energy resource program pursuant to Section 58-39-130 of Chapter 39, the S.C. Distributed Energy Resource Act." S.C. Code Ann. § 58-39-140. Recoverable incremental costs are capped "[f]or the protection of consumers and to ensure that the cost of DER programs do not exceed a reasonable threshold." S.C. Code Ann. § 58-39-150.

S.C. Code Ann. § 58-27-865 was amended by Act 236 in 2014 to clarify that "'fuel costs related to purchased power', as used in subsection (A)(1) shall include … avoided costs under the Public Utility Regulatory Policy Act of 1978, also known as PURPA." S.C. Code Ann. § 58-27-865(A)(2). Historically, SCE&G's PURPA avoided cost rates have been filed in Commission Docket No. 1995-1192-E; however, subsequent to Act 236 and the fuel clause revisions, SCE&G has sought approval in the fuel cost proceeding for its avoided cost rates, calculations, and methodology under Section 210 of the Public Utility Regulatory Policies Act of 1978, 16 U.S.C.A. § 824a-3. Section 210 of PURPA and relevant regulations promulgated by Federal Energy Regulatory Commission ("FERC") prescribe the responsibilities of the FERC and of state regulatory authorities, such as this Commission, relating to the development of cogeneration and small power production. *See* FERC Stats. & Regs. 30,128 (1980) in Docket No. RM79-55 (Order No. 69); 45 Fed. Reg. 12,214 (1980).

Section 210 of PURPA requires the FERC to prescribe such rules as it determines necessary to encourage cogeneration and small power production, including rules requiring electric utilities to purchase electric power from, and to sell electric power to, cogeneration and small power production facilities. Under Section 210 of PURPA,

cogeneration facilities and small power production facilities that meet certain standards can become "qualifying facilities" ("QFs"), and thus become eligible for the rates and exemptions established in accordance with Section 210 of PURPA.

Each electric utility is required under Section 210 of PURPA to offer to purchase available electric energy from cogeneration and small power production facilities that obtain QF status under Section 210 of PURPA. For such purchases, electric utilities are required to pay rates that are "just and reasonable," "in the public interest," and do "[n]ot discriminate against qualifying cogeneration and small power production facilities." 18 C.F.R. § 292.304(a).

The FERC regulations require that the rates electric utilities pay to purchase electric energy and capacity from qualifying cogenerators and small power producers reflect the cost that the purchasing utility can avoid as a result of obtaining energy and capacity from these sources, rather than generating an equivalent amount of energy itself or purchasing the energy or capacity from other suppliers. 18 C.F.R. § 292.101(b)(6). FERC delegated the implementation of these rules to the State regulatory authorities. State commissions may implement these rules by the issuance of regulations, on a case-by-case basis, or by any other means reasonably designed to give effect to the FERC's rules. FERC Stats. & Regs. 30,128 (1980) in Docket No. RM79-55 (Order No. 69).

With regard to settlement agreements, Section II of the Commission's Settlement Policies and Procedures provide that the Commission will consider whether acceptance of a settlement is "just, fair, and reasonable, in the public interest, or otherwise in

accordance with law or regulatory policy." Approval of settlements "shall be based upon substantial evidence in the record."

S.C. Code Ann. § 58-27-2100 provides that "[a]fter the conclusion of a hearing, the Commission shall make and file its findings and order with its opinion, if any. Its findings shall be in sufficient detail to enable the court on review to determine the controverted questions presented by the proceeding and whether proper weight was given to the evidence." S.C. Code Ann. § 58-27-2100.

Pursuant to S.C. Code Ann. § 58-27-2150, a party may apply to the Commission for a rehearing in respect to any matter determined in the proceeding. "The purpose of a petition for rehearing and/or reconsideration is to allow the Commission the discretion to rehear and/or reexamine the merits of issued orders pursuant to legal or factual questions raised about those orders by parties in interest, prior to a possible appeal." *In re: South Carolina Electric & Gas Company*, Order No. 2013-5 (Feb. 14, 2013). S.C. Code Ann. Regs. § 103-825(A)(4) prescribes the content of a petition for rehearing, which must include: "(a) The factual and legal issues forming the basis for the petition; (b) The alleged error or errors in the Commission order; [and] (c) The statutory provision or other authority upon which the petition is based."

The South Carolina Supreme Court employs a deferential standard of review when reviewing a Commission decision and will affirm that decision when substantial evidence supports it. *Porter v. SC Public Service Com'n*, 333 S.C. 12, 20 (1998). Because Commission findings are presumptively correct, the party challenging a Commission order bears the burden of convincingly proving that the decision is clearly erroneous, or arbitrary or capricious, or an abuse of discretion, in view of the substantial

evidence on the whole record. *Id.* Substantial evidence is relevant evidence that, considering the record as a whole, a reasonable mind would accept to support an administrative agency's action. *Id.*

This deferential standard of review does not mean, however, that the Court will accept an administrative agency's decision at face value without requiring the agency to explain its reasoning. *Id.*at 21.

The Commission must fully document its findings of fact and base its decision on reliable, probative, and substantial evidence on the whole record. *Id.* It must make findings which are sufficiently detailed to enable the Court to determine whether the findings are supported by the evidence and whether the law has been applied properly to those findings. *Id.*

Regarding factual findings, the Commission must make "explicit findings of fact which allow meaningful appellate review." *Seabrook v S.C. Public Service Com'n,* 401 S.E.2d 672, at 674; 383 S.C. 493, at 497. Where material facts are in dispute, however, the administrative body must make specific, express findings of fact. *Porter v. SC Public Service Com'n*, 507 S.E.2d 328, at 332, 333 S.C. 12, at 21.

An administrative agency is not required to present its findings of fact and reasoning in any particular format, although the better practice is to present them in an organized and regimented manner. *Porter*, 507 S.E.2d at 332, 333 S.C. at 21. However, a recital of conflicting testimony followed by a general conclusion is patently insufficient to enable a reviewing court to address the issues. *Id.*

Further, "previously adopted policy may not furnish the sole basis for the Commission's action." *Hamm v. S.C. Public Service Com'n*, 422 S.E. 2d 110, at 114;

309 S.C. 282, at 289. Rather the policy must be applied to the substantial factual evidence of record. *Id.* The "expert" status of the Commission does not "diminish [the Commission's] duty to support its conclusions with factual findings…" *Seabrook v S.C. Public Service Com'n*, 401 S.E.2d 672, at 674, 303 S.C. 493, at 497. Rather, it "*heightens* the duty" to ensure that the evidence presented is substantial. *Id.*

Decisions of the Commission can be ruled arbitrary when it simply adheres to its past practice without attempting to explain that decision, and it cannot rely on factual findings that are simply incorrect. *Porter v S.C. Public Service Com'n,* 333 S.C. at 26-27. For instance, the Commission has been reversed for finding that there is no such thing as a negative cash working capital requirement when other regulatory agencies and courts have discussed and applied the concept. *Id.* at 27.

Also, while South Carolina law does not require the Commission to use any particular price-setting methodology and the Commission has wide latitude to determine an appropriate rate-setting methodology, this does not mean that a particular methodology may not be more appropriate than another under a specific set of circumstances. *Heater of Seabrook v. S.C. Public Serv. Com'n*, 478 S.E.2d 826, at 830, 324 S.C 56, at 64 (1996)(*citing Hamm v. S.C. Public Serv. Com'n*, 309 S.C. 295 (1992)). The courts will not analyze in isolation whether the decision to use a particular methodology is supported by substantial evidence, and the Commission should employ a methodology tailored to the facts and circumstances of the case before it. *Id.*

FACTS

At issue in this petition are the calculations underlying the Company's long-term avoided cost rates.

The record includes the following material, uncontested facts:[1]

The majority of facilities qualifying for the PR-2 rates are expected to be solar photovoltaic ("solar PV" or "solar") projects. Tr., p. 306, ln 9-13. The PR-2 rates are "probably the most important" factor determining whether these solar projects can obtain financing to develop projects. Tr., p. 291, ln 8 (citing the testimony of SCE&G witness Lynch).

PR-2 rate calculations include both an energy and a capacity component. Tr., p. 290, ln 10-12. In this case, SCE&G proposes a 70% reduction (from $21.34 per kilowatt-year to $6.35 per kilowatt-year) in the capacity portion of the rates, as compared to PR-2 rates approved approximately a year ago. Tr., p. 292, ln 14-22.

Factoring in this 70% reduction in the capacity portion of the PR-2 rate (i.e., converting the rate to an equivalent per-kWh rate) reduces SCE&G's overall proposed PR-2 rate from 5.4 cents per kilowatt hour to 3.6 cents per kilowatt hour. Tr., p. 267-268.

Solar generation predictably produces electricity during the day, but not at night. SCE&G calculates its long-run avoided costs for power purchases by using the Difference in Revenue Requirements ("DRR") method. The DRR method compares the Company's revenue requirements between a base case and a change case, over the Company's 15-year Integrated Resource Plan ("IRP") planning horizon. The base case is defined by SCE&G's "existing fleet of generators and the hourly load profile to be supplied by these generators." Lynch Direct Testimony at 4, ln 20-21, Tr., p. 176, ln 20-21. "The change case is the same as the base case except that the hourly loads are

[1] Contested facts and issues will be addressed later, under the heading "Argument."

reduced by 100 megawatts ("MW") in each hour… ." Lynch Direct Testimony at 4-5, ln 21-22, Tr., p. 176, 21-22.

Turning from methodologies to factual inputs, the IRP is the source of facts on which SCE&G relies to produce avoided cost rates. As SCE&G witness Lynch testified at the public hearing, "once the IRP is set… it's almost like the avoided costs just come out of the methodology." Tr., p. 257, ln 13-17.

SCE&G filed its proposed avoided cost rates in this docket, (No. 2017-2-E) on February 24, 2017. Four days later, SCE&G filed its 2017 IRP on February 28, 2017, in a separate docket (No. 2017-9-E).

The capacity component of the PR-2 rate was determined by the company's future need for new capacity as specified in the IRP. The IRP's specified capacity need, in turn, was based upon its load forecast and the amount of generation capacity (in megawatts) that it plans to own or contract for in each future year of the 15-year planning horizon. As Dr. Lynch reiterated at the hearing, the IRP essentially forms the basis for the proposed avoided cost rates. Tr., p. 297, ln 15-18. Specifically, he testified, "if the generation mix changes in the company's IRP or your updated resource plan, this will affect the DRR calculation of avoided costs." Tr., p. 297, ln 21-23.

Dr. Lynch, testified, for instance, that the cancellation of 40 MW of solar capacity that had been expected to come online in 2018 in the 2016 IRP would increase its capacity payment from roughly $6 to $7 (or roughly 15%). Tr., p. 263. However, Dr. Lynch did not update the 2017 IRP for this reduction in solar capacity, and SCE&G did not include it in its PR-2 rate calculations, because he knew also of a 75 MW solar power

purchase agreement being signed that would more than offset that reduction. Tr., p. 263, ln 24-25 to p. 264, ln 1-2.

In this case, SCE&G made a number of changes in the 2017 IRP, relative to the 2016 IRP, that impacted the Company's proposed avoided capacity rates. First, the 2017 IRP reflects that the Company plans to add a single combustion turbine ("peaker plant") in 2031, rather than adding one in 2029 and another in 2030, as specified in the 2016 IRP.

Second, the 2017 IRP also treats certain capacity purchases for 2018 and 2019 as completed, so that these costs are no longer considered by the Company as avoidable. When asked at the hearing how he generally would explain the reduction in capacity payments within the PR-2 rate, Dr. Lynch referenced these particular capacity purchase as his first example of why capacity values have fallen, and notes "I didn't put this in my testimony…" Tr., p. 269, ln 3. The other examples he cited were the need for only one combustion turbine, the addition of solar capacity, and an updated load forecast.

Third, the 2017 IRP also changes the timing for the addition of new nuclear plant capacity. The 2017 IRP asserts that the first of two new V.C. Summer Nuclear Plant units will come online in April of 2020, and that the second unit will come online in December of 2020. Each new unit represents 1,117 net MW of capacity, and SCE&G's approved 55% ownership share equates to 614 MW of capacity per unit. The 2017 IRP also states that pending approval of the Commission, SCE&G will acquire an additional 1% ownership share of the project when the first unit achieves commercial operation, an additional 2% ownership share one year later, and an additional 2% ownership share one year after that. If the Commission were to approve this additional 5% ownership

acquisition, the new nuclear units would provide 626 MW of new capacity beginning in April of 2020, 670 MW of additional new capacity by the following year, and 44 MW of additional new capacity by the year after that. In sum, the 2017 IRP assumes that SCE&G and its ratepayers will purchase a further 112 MW share of the nuclear units by 2022, beyond the approved 1228 MW share. For the calculation of PR-2 rates, the IRP thus relies on 1,296 MW of timely nuclear additions (626 MW plus 670 MW) by 2021 and an additional 44 MW of nuclear capacity by 2022, for a total of 1,340 MW of new nuclear capacity.

The Company acknowledges that the contractor responsible for building the nuclear units (Westinghouse) is in bankruptcy and that, in fact, the units may be delayed. Tr., p. 301, ln 11-14. Dr. Lynch testified that delays would change the PR-2 capacity calculation. Tr., p. 301, ln 22-25. He also testified that acquisition of the additional 5% SCE&G share of the units, after completion, has not yet been approved by the Commission. Tr. p. 301, ln 19-21.

Finally, the 2017 IRP includes 320 MWs of solar capacity under Purchase Power Agreements ("PPAs") rather than 278 MWs included in the 2016 IRP. For capacity planning purposes within the IRP, the Company rates solar PPAs at 50% of capacity. For instance, a 40 MW solar power plant would be counted as meeting 20 MW of future capacity need in the IRP.

ARGUMENT

Solar distributed energy resources ("DERs"), including solar QFs (eceiving avoided cost payments under PURPA) "are poised for a dramatic expansion in South

Carolina." Vitolo Surrebuttal at 3, ln 6-7, Tr., p. 535, ln 6-7. However, that expansion depends largely on long-term PR-2 rates.

The core issue for PR-2 rates is whether they are accurate—neither too high, nor too low, but accurately reflecting the costs truly avoidable by adding solar generation to SCE&G's resource mix. If PR-2 rates are set higher than is justified, ratepayers will purchase electricity that costs more than other resources actually available to the utility. On the other hand, if PR-2 rates are too low, ratepayers will purchase utility power that is more expensive than new, low-cost solar generation. Either way, if rates are inaccurate, ratepayers pay more than they should.

This core issue has implications for the regular, due exercise of the Commission's authority. If PR-2 rates are either too high or too low, then the rates are unjust. The Commission has a duty to act reasonably and justly to require it to: determine the factual issues presented in this docket and to resolve them in rulings.

Further, if the Commission approves PR-2 rates that are too low, the Commission fails to implement PURPA's requirement that avoided cost rates not discriminate against PURPA generators (QFs). The PURPA prohibition states that rates must not discriminate against the QFs, and charges state Commissions with implementing this directive. 16 U.S.C.A. § 824a-3(b) and (f). PURPA recognizes that bias is possible when an incumbent utility proposes rates to be paid to its competitors.

As discussed below, the Conservation Groups respectfully submit that the Commission's order in this docket contains several errors in its findings of fact, in its provision of a reviewable record, and in arbitrary reasoning. These errors led to adoption

of rates that are unjust, unreasonable, and violative of the prohibition on discrimination against QFs, and thus justify rehearing.

I. It is unreasonable for the Commission to rely on the Company's unapproved 2017 IRP for the avoided cost calculations.

In calculating avoided cost rates, the Company relied on an IRP that has neither been approved by the Commission nor entered into the record of this proceeding. The IRP relied upon was filed in a separate docket, on a different and later time schedule. This fact raises a foundational issue: without an approved IRP in the record, substantial evidence does not exist for the Commission to find that avoided cost rates are just and reasonable (as required by S.C. Code Ann. § 58-27-810 and FERC regulations) and that the rates are "just, fair, and reasonable, in the public interest, or otherwise in accordance with law or regulatory policy (as required by the Commissions Settlement Policies and Procedures).

SCE&G further testified that it bases avoided cost calculations on its "latest IRP *or an updated resource plan*." Lynch Direct Testimony at p. 8, ln 9-10, Tr., p. 180, ln 9-10. But the avoided cost rates in this docket could not have been based upon an "updated" IRP because the latest IRP itself was not filed until after the avoided cost rates. Since it did not yet exist in the public record, it could not, within the avoided cost filing, be considered "updated."

The practice in recent years of the Commission declining to formally review or approve the Company's IRPs compounds the error of relying upon the later-filed 2017 IRP in this earlier-filed docket. In practice, the utility files a unilateral plan that this

Commission in recent years has not approved. The Commission is required to rely on "reliable, probative, and substantial evidence on the whole record."

In an order related to the SCE&G, Duke Energy Carolinas, and Duke Energy Progress 2011 IRPs, in which this Commission declared that the electric utility IRP process "is an important planning tool for the [electric utilities] and the Commission," and accordingly, recognized the value of a "transparent and open process" regarding IRPs. Order No. 2012-96 at 2 (holding that the IRP process "will constitute a proceeding," under South Carolina law, in which the Commission must determine whether a utility's IRP meets its requirements). The Commission provided that, "[g]oing forward, [it] will explicitly make such a determination." *Id.* at 1. The Commission further determined that the IRP process is a proceeding "into which intervention is permitted," and noted that it may require the utility to file information in addition to the IRP, and require intervenors to file written comments. *Id.* The Commission ruled that, based on the parties' filings, it would determine whether additional proceedings are appropriate. *Id.* As the Commission's 2012 Order indicates, a utility's IRP needs scrutiny and vetting. Absent this review and a determination as to the reasonableness or changes required for reasonableness, the IRP falls short of the requirement for the Commission to "base its decision on reliable, probative, and substantial evidence on the whole record." *Porter v. South Carolina Public Service Commission*, 507 S.E.2d 328; 333 S.C. 12.

While Conservation Groups further address the reliability and substantiality of the IRP evidence below, we observe here that the filing of a unilateral plan by the utility as a basis for avoided cost rates, when that plan is not subject to a schedule for litigated

examination by opposing parties and is never approved by the Commission, raises a question as to whether the Commission can, on this record, fulfill the federal requirements that avoided cost rates shall be "just and reasonable," "in the public interest," and "not discriminate against cogenerators or small power producers." To the degree that this process tends to yield rates that discriminate against small power produces, it also would violate the Settlement Practice and Procedure requirement that approved Settlements must be "otherwise in accordance with law."

The problematic reliance upon the IRP for the capacity-related portion of the avoided cost rate that is the most significant contested issue in this case is not necessary. SCE&G has relied on the overly complex and opaque DRR method of calculating the capacity component of avoided cost rates. As Dr. Johnson for SBA and Dr. Vitolo for Conservation Groups testify in this proceeding, there are common, straightforward, widely-accepted alternative methods for calculating avoided capacity costs that do not require acceptance of the Company's IRP. Indeed, the Commission approves one of these methods—the "peaker method"—for the avoided cost calculations of Duke Energy Carolinas and Duke Energy Progress. The peaker method is available in the record of this docket, supported by expert testimony, and could avoid problems with SCE&G's application of the DRR method.

Conservation Groups conclude these general remarks about deficiencies in procedure and the substantiality by noting that an IRP can serve several functions. One is purely informational: to inform the Commission and the public about the general nature of the utility's plans. The Commission's current IRP procedures are oriented towards this understanding of the IRP.

Another potential function is to determine the best plan for the utility to meet its obligations to ratepayers going forward. For this purpose, Conservation Groups have long held that the absence of review is deficient.

A third function, squarely within the Commission's daily practice and centrally relevant to this docket, is to provide substantial evidence for ratemaking. For that purpose, a unilaterally-developed plan that is not carefully examined or approved is inadequate. By approving SCE&G's avoided cost rates, the Commission relies upon the Company's IRP. The IRP, in its broad outline and in key specific features determines the avoided cost rates. By approving SCE&G's proposed rates, the Commission signals endorsement of a plan under which the two V.C. Summer nuclear units are anticipated to come online in a timely manner, SCE&G then purchases a further 5% share of the nuclear units, and SCE&G does not retire gas steam and coal plants dating back in some cases to the 1950's. Indeed, this proceeding appears to be the first in which the Commission has been asked to accept the likelihood that the two new nuclear units will come online on a schedule provided months ago by Westinghouse and all but disavowed by SCE&G in an April 12, 2017 briefing to the Commission. That (counter) factual premise does not provide reliable, probative, substantial evidence in the IRP for this avoided cost ratemaking proceeding.

II. The facts of this proceeding require a resource-specific avoided cost rate.

It is uncontroverted that the avoided cost rates set in this docket will apply primarily, if not exclusively, to new solar projects. Tr., p. 306, ln 9-13.

While the Company and ORS witness Horii testified that SCE&G should set avoided cost rates that accommodate various types of generation, neither asserts that any

such other types of generation are actually expected. In fact, there is strong evidence (including the intervention of SBA in the docket) that the rates will apply to solar projects, while there is a complete lack of tangible indication of any other type of project.

Per *Seabrook*, the Commission must approve a method of calculating rates that is appropriate to the circumstances and facts in the record. Given the record evidence that the rates will be applied primarily to solar projects, the Commission should require the filing of avoided cost rates specific to solar resources.[2] As with the testimony regarding a simpler peaker method of calculating avoided capacity cost, the record contains extensive testimony favoring such "resource specific rates" by two witnesses who specialize in avoided cost ratemaking across multiple jurisdictions, Dr. Johnson and Dr. Vitolo.

On this point, the Commission's explanation of why it adopted the Company's rate proposal is based, in part, upon an erroneous reading of ORS witness Horii's testimony. The Commission finds that "[w]itness Horii agreed with Witness Lynch that the suggestion to use a resource-specific avoided cost is not realistic." Order 2017-246, at 18, *referencing* Horii Cross-Examination at 58.

First, Dr. Lynch did not, in the rebuttal testimony cited by the Commission, testify that use of a resource-specific avoided cost for solar PURPA QFs is not "realistic." Second, Mr. Horii essentially admitted that such rates are used elsewhere and feasible for SCE&G.

Beginning at page 601 of the Transcript, Mr. Horii was asked a series of questions regarding resource-specific avoided cost rates. Mr. Horii responded that he was aware of other utilities outside of South Carolina that have resource-specific rates: "Yes, I am,"

[2] As highlighted in the testimony of Dr. Vitolo, this does not preclude the company from also submitting avoided cost rates that are non-resource-specific.

and later "Yes, I know that Georgia Power has such a rate." Tr., p. 601, ln 20-22. He states that he has "taken a look at the Georgia Power rates." Tr., p. 602, 3-4.

When asked if it would be possible for SCE&G, similar to other utilities, to also offer a resource-specific avoided cost rate, Mr. Horii replied "Well, possible. I mean certainly, it would be possible. Whether it is necessary or appropriate, I think that is another question." Tr., p. 602, 8-10.

On this portion of the record, Mr. Horii does not testify that resource-specific avoided cost rates, in general, are "unrealistic." He admits that a neighboring jurisdiction has adopted them and states that "certainly, they are possible." He merely hints, without elaboration, that their necessity or appropriateness "is another question."

This testimony provides no basis whatsoever to conclude that resource-specific solar avoided cost rates are "not realistic."

Another issue material to the question of resource-specific rates is whether SCE&G's avoided cost rates should be developed based on a solar generation profile. It is uncontested that solar power generation occurs during the day. This fact, taken alone, can only suggest that a rate calculated based on the costs avoided during the specific hours when solar power is generated—as testified by the two witnesses who specialize in avoided cost rates across multiple jurisdictions—is more appropriate.

The Commission, nevertheless, adopts for its evidence the testimony of Dr. Lynch, on several points. The Commission first finds that "SCE&G's methodology of using a 100 MW change in load to calculate avoided energy costs is reasonable. SCE&G's approach allows it to present its avoided energy costs in a rate such as PR-1

that applies to solar, hydro, biomass, wind, or other renewable generation." Order 2017-246, at p. 18.

Note that the Commission finds that the method is "reasonable;" and references avoided "energy" (but not capacity) costs; and uses the example of PR-1 rates (but not the PR-2 rates that are the major contested issue in this case). Like witness Horii, the Commission sidesteps the key issues:

The PR-1 rate does not involve long-term capacity. It is a short term payment for energy, not capacity, which will be paid for a year and then updated annually. It may well be paid to various types of generation.

The PR-2 rate includes capacity to be paid to new generators over a 15-year period. Those new generators, based on the substantial evidence in this case, will be largely, if not entirely, solar generators. As noted above, if there is any benefit to having a PR-2 rate for non-solar generators, it can be realized by having both a solar-specific and a non-solar-specific rate. That would be the most appropriate result on a record in which the Company itself testifies that the majority of PR-2 rate generators will be solar.

Further, the Commission relies on Dr. Lynch's testimony that the characteristics of solar generation profiles can be significantly different. Order 2017-246 at 18. In the passage cited by the Commission, Dr. Lynch testified that the Company's approach "avoids the need to generate a different avoided cost tariff for every possible qualifying facility ("QF"), whether solar, wind, hydro or biomass *and for every possible variation of profile within those QF categories*." Lynch Rebuttal at 2, ln 20-22, Tr., p. 197, ln 20-22.

In Surrebuttal Testimony that goes unremarked in the Order, Dr. Vitolo acknowledged that generation profiles differ between different types of solar projects but explained:

> Company Witness Lynch is arguing that because individual solar systems produce somewhat different amounts of power a few hours of each day, the Company should instead model solar PV as generating electricity at full power day and night—cloudy days and sunny days alike. The SCE&G modeling approach described by Company Witness Lynch sacrifices a much larger degree of accuracy; the differences between various PV generators are slight in comparison.

Vitolo Surrebuttal at 4, ln 8-14, Tr., p. 536, ln 8-14.

While the Commission did not address Dr. Vitolo's Surrebuttal Testimony supporting the treatment of solar QFs as a specific class of resources, it did offer this reasoning: "The Commission also finds that using a 100 MW solar profile would not provide an accurate estimate of the Company's avoided energy costs, since PURPA avoided costs do not limit the Company to a specific generation resource. The Company could use solar, wind, hydro, fossil fuel, or any other generation resources, depending on what is available at what cost. Thus a generic avoided cost is appropriate." Order 2017-246, at p. 18.

In this finding, the Commission conflates two items of substantial evidence: it erroneously finds that the solar profile would be inaccurate because PURPA allows multiple types of resources. No witness makes that argument.

Rather, as summarized by the Commission on the preceding page of the Order, Dr. Lynch first testifies that a generic avoided cost rate "avoids the need to generate a different avoided cost tariff for every possible QF, whether solar, wind, hydro, or biomass and for every possible variation of profile within those QF categories." Order

2017-246, at p. 17. First, no party in this docket advocates for the development of a different avoided cost tariff for every possible QF and for every possible variation of profile within those QF categories: this is the same red herring the Commission endorsed in the testimony of Mr. Horii. Rather, the recommendation is that the Company could adopt a solar-specific avoided cost rate in addition to a more generalized rate, which has been done in other states as described in the testimony of Dr. Vitolo. Vitolo Surrebuttal at 2, Tr., p. 534.

Second, Mr. Horii's testimony does not (as represented in the Commission's finding) address the issue of accuracy. Rather, Mr. Horii's testimony goes to the issue of administrative convenience and adherence to a methodology that has been used by the Company since the inception of PURPA and was most recently approved by the Commission in Order No. 2016-297. Horii Direct Testimony at 4-5, Tr., p. 596-597.

The Commission then summarizes Dr. Lynch as stating that "using a 100 MW solar generator to calculate avoided costs would result in annual changes that are too small to provide for calculating a robust estimate of avoided energy costs." Order 2017-246, at p. 17-18. This testimony does address the issue of accuracy. Dr. Lynch does not testify that a solar-specific rate would be inaccurate because PURPA allows multiple types of generators: he testifies that it would be inaccurate because the annual changes are too small to provide a robust estimate.

Order 2017-246 completely fails to acknowledge or weigh expert testimony in the record rebutting Dr. Lynch on this point. Dr. Vitolo points out that Dr. Lynch cites no evidence for his assertion. Vitolo Surrebuttal at 3, Tr., p. 535, ln 3. Dr. Vitolo testifies that reproducible (i.e., accurate) modeling results for avoided solar profile avoided costs

can be and, in fact, are produced by other utilities. *Id.* Dr. Vitolo provides substantial evidence that this is true even with modeled capacity values as small as 10 MW, rather than the 100 MW increment that Dr. Lynch says is too small. *Id.* Dr. Vitolo additionally points to a peer-reviewed study of production cost modeling of utility systems incorporating different sized renewable energy installations—some as small as 0.02% of the system modeled. *Id.* He testifies that "these examples demonstrate the ability for robust dispatch modeling of energy reductions less than the "0.8% reduction in annual generation" cited by Dr. Lynch as too small. *Id.* at 3-4, Tr., p. 535-536.

Dr. Lynch's testimony, Dr. Vitolo's unexamined Surrebuttal on this issue, and the Commission's own findings highlight a theme that runs through the Order: SCE&G has proposed to use the same methodology that it has used since the inception of PURPA (which was enacted in 1978), and partly on that basis, the Commission approves the Company's latest proposal.[3]

The Commission can be ruled arbitrary when it simply adheres to its past practice without attempting to explain that decision, and it cannot rely on factual findings that are simply incorrect. *Able Communications, Inc. v S.C. Public Service Com'n*, 351 S.E.2d 151, 290 S.C. 409 (1986). It is simply incorrect that the availability of PURPA rates to multiple types of generation makes a solar-specific rate inaccurate for solar resources. And in the light of a solar industry clamoring to develop newly low-cost resources, circumstances have changed: adhering to past practice without making specific findings

[3] In the next issue addressed in the Commission's order, the Commission begins its summary of Dr. Lynch's testimony as follows: "Witness Lynch testified that the Company has used its definition of on-peak hours since it first published a PR-1 tariff in response to PURPA and adopted the same hours in its PR-2 tariff first published last year." Order 2017-246, at p. 19. Repeatedly throughout the Order the Commission references adherence of the Company's methodology to its prior Order 2016-297, which in turn, endorses the Company's longstanding practice of using a 100 MW non-resource-specific profile in all hours of the year, day and night, to calculate avoided costs.

that probe the substantial evidence in the record and reasonably address them is reversible error.

Faced with opposing expert testimony on a material issue, the Commission has a heightened duty to ensure that the evidence presented is substantial. Where material facts are in dispute, implicit findings of fact are not sufficient and the administrative body must make specific, express findings of fact. In order to fulfill the requirement that the Commission must employ a methodology tailored to the facts and circumstances of the case before it, it must reasonably address the issue of whether the differences among solar generation profiles are such that solar QFs cannot be treated as a class, or whether in the alternative, *for the purpose of the PR-2 rate and its contested energy and capacity calculations*, it is more appropriate to require the approval of resource-specific rates, based upon a solar profile.

The Commission partially, and insufficiently, addresses central issues raised by Dr. Vitolo concerning implementation of its DRR method for calculating avoided capacity costs. The easiest way to begin to understand this point is to examine the Commission's summary of Dr. Lynch's Rebuttal testimony: "Witness Lynch also disagreed that the Company used an ambiguous retirement schedule in calculating its avoided capacity costs." Order 2017-246, at 20.

This is the only paragraph in the Order that contains either the word "ambiguous" or the word "retirement." The Commission fails to summarize—and indeed ignores—the testimony by Dr. Vitolo that raised this material issue and gave rise to this response by Dr. Lynch. The Commission's orders must explain its reasoning on material issues in

enough detail to facilitate review by the court. Omitting one side of the expert testimony on an issue does not provide enough detail for this function.

In response to the question "[p]lease explain SCE&G's ambiguous retirement schedule, and its relevance to avoided generation capacity cost," Dr. Vitolo testifies in Direct Testimony that "a critical input for this [DRR] methodology is the precise year of retirement for every generation resource owned by SCE&G." Vitolo Direct at 9, ln 6-8, Tr., p. 510, ln 6-8. Dr. Vitolo explains that, after four sequential IRPs (2012 through 2015) established a retirement date for several generating units, the 2016 IRP favored keeping two of these units (McMeekin 1 and 2) online indefinitely. Vitolo Direct at 9-10, Tr., p. 510-511. Dr. Vitolo points out that the 2017 IRP is even more ambiguous, stating: "it *might* be in SCE&G customers' best interests to keep the units operating *for a while*." Vitolo Direct at 10, ln 2-3, Tr., p. 511, ln 2-3 (emphasis added).

The Commission's findings regarding DRR methodological issues raised by Dr. Vitolo (of which ambiguous retirement dates are but one) appear on pages 22-23 of its Order. The Commission never addresses the material issues raised by Dr. Vitolo: that the DRR method cannot be properly performed without provision of specific retirement dates for generators, and that the Company's 2017 IRP is, in fact, ambiguous regarding the retirement dates at issue.

Further, to the degree the Commission articulates any reliance on Dr. Lynch's assertion that the retirement dates in the 2017 IRP are not ambiguous, Conservation Groups assert that this is clear, reversable error: the IRP, in fact, provides no retirement dates and the words "might" and "for a while," emphasized above, describe an

ambiguous situation. As noted above, this issue can be totally avoided by using a different, common method such as the peaker method for calculating capacity costs.

The issues described in this petition are just some of the issues with SCE&G's application of the DRR method raised by Dr. Vitolo. Conservation Groups point out that the Commission appears never to cite Dr. Vitolo's Surrebuttal Testimony in any part of its Order, even for the purpose of finding that it is wrong. While implementing a statute (PURPA) that requires non-discrimination against PR-2 generators, the Commission appears not to have heard or considered the expert Surrebuttal of one of their chief proponents in this docket.

In fact, the Commission's Order never acknowledges the Surrebuttal testimonies of either Dr. Vitolo or of SBA Witness Dr. Johnson. While the Commission must rule on many complex issues in this case, Conservation Groups note that caselaw places a heightened duty on the Commission to articulate its reasoning on material, contested issues in order to enable review. Further, federal law prohibits discrimination against PURPA QFs in the approval of avoided cost rates. As a general matter, an Order silent on the Surrebuttal Testimony of every witness supporting PURPA QFs raises the question of whether this burden has been met. While implementing a statute (PURPA) that requires non-discrimination against PR-2 generators, the Commission appears not to have heard or considered the expert Surrebuttal of their chief proponents in this docket.

Another example of a key, material issue of fact is whether solar generation provides firm capacity to the SCE&G system. As noted by Dr. Vitolo in Surrebuttal, SCE&G witness Lynch himself testifies that the Company had a 40 MW solar Power Purchase Agreement "half of which the Company considers to be firm capacity." Lynch

Rebuttal at 7, ln 19-20, Tr., p. 538, ln 19-20. Yet, Dr. Lynch goes on to provide a contradictory statement regarding solar capacity on cross-examination.

Conservation Groups submit that Dr. Lynch's contradictory testimony—both for and against the underlying concept that solar generation confers firm capacity—goes materially to the weight of evidence on this question and request a rehearing or reconsideration on the issue that, as a matter of factual, substantive evidence, solar generation provides some amount of firm capacity to the SCE&G system as a whole. The fact that solar generation has firm capacity value has several related implications, including but not limited to: for the value of selling system capacity, for planning the amount of generation needed by SCE&G, for determining utility reserve margins, and for inclusion of a Performance Adjustment Factor (PAF) as part of the PR-2 rate calculation. *See* Vitolo Surrebuttal at 5-9, Tr., p. 537-541.

Regarding the Commission's legal duties, Conservation Groups assert that it is an arbitrary exercise of the Commission's discretion to determine that solar generation has capacity value in one context but not another. Whether or not solar QFs, as a whole, contribute generating capacity during the peak hours of the year is a matter of physics and engineering, not policy discretion. Recognizing this fact for some purposes and not others, is an abuse of discretion. It is inconsistent to rely upon the IRP (which recognizes solar firm capacity at 50% of nameplate value) for avoided cost inputs and then deny the existence of firm solar capacity for other purposes.

III. Application of SCE&G's methods to the input data for its PR-2 rates is not reasonable (and thus an abuse of discretion) and lack substantial evidence.

The Conservation Groups respectfully submit that the Company's avoided cost calculations and rates in the PR-2 tariff fail to comply with S.C. Code Ann. § 58-27-810, which states that every rate "made, demanded or received by any electrical utility … shall be just and reasonable" and with FERC regulations requiring that rates be "just and reasonable," "in the public interest," and do "[n]ot discriminate against qualifying cogeneration and small power production facilities." 18 CFR 292.304(a).

The Company has used the DRR method to calculate its long-run avoided cost rates available to QFs, like solar projects, through its PR-2 tariff. The DRR method is driven by the Company's Integrated Resource Plan employed in the modeling exercise. Thus, the Company's avoided cost rate is driven by the assumptions contained in the IRP used in the DRR exercise.

In the present proceeding, the 2017 avoided cost rates have been significantly impacted as a result of the Company's changes to its IRP, yet those changes have never been examined, much less approved, by this Commission.

The resultant rates are significantly lower than those calculated by Duke Energy Carolinas and Duke Energy Progress, the rates offered by SCE&G in 2016, and the rates independently calculated by Intervenor Solar Business Alliance's expert witness Dr. Ben Johnson in this proceeding. CCL and SACE Witness Vitolo further pointed to a number of errors and omissions within the Company's approach to its avoided capacity calculations in particular. These errors and omissions included:

- artificially limiting the future generation capacity projects or contracts that could be deferred or avoided by QFs;

- failing to account for opportunity costs;
- using an erroneous method to determine the appropriate generation capacity payment split between summer and winter seasons; and
- failing to include a performance adjustment factor.

As demonstrated in greater detail in Witness Vitolo and Witness Johnson's direct and surrebuttal testimonies, these errors and omissions yield an avoided capacity value that is unreasonably and unjustifiably low. These errors and omissions warrant reconsideration by the Commission.

With regard to avoided energy calculations, there is substantial and uncontroverted evidence in this proceeding that the majority of QFs coming online in SCE&G territory in the near future are likely to be solar photovoltaic resources. As such, the failure to use of a solar-specific avoided cost rate and generation profile for calculation of avoided energy is unreasonable and unjustified at this time and should be reconsidered by the Commission.

CONCLUSION

The Conservation Groups respectfully request that the Commission rehear or reconsider its Order Approving Fuel Costs and Adopting Settlement Agreement as it relates to the issue of the Company's avoided cost calculations and rates in the PR-2 tariff. Conservation Groups emphasize that the Commission has great flexibility moving forward, on rehearing and otherwise, to approve PR-2 rates that are non-discriminatory towards PURPA QFs and that meet every requirement of reasonableness and basis in

substantial evidence. As indicated above, and in the Direct and Surrebuttal Testimonies of Dr. Vitolo, this can be done through methods that are easier to review, comply with the Commission's prior Orders and procedures, and benefit ratepayers.

In this light, Conservation Groups recommend that the Commission rehear or reconsider its Order and instead issue the following directives:

1) The Company's PR-2 tariff approved in 2016 by Order 2016-297 shall remain in effect while the Commission rehears and reconsiders calculation of avoided cost rates for an update to the tariff.
2) The Company shall make the following revisions to its Avoided Cost methodology and calculations pursuant to PURPA, and shall file within 90 days of the Commission's final decisions post-rehearing or reconsideration a revised PR-2 tariff with rates reflecting such changes. Any fuel clause adjustments, DER program adjustments, or NEM tariff adjustments needed to account for such changes will be made in the 2018 fuel clause proceeding.
    a. For its Avoided Energy Calculations, the Company shall calculate solar-specific avoided energy cost rates using a 100 MW solar photovoltaic generation profile, in addition to its 100 MW model run of constant demand reduction (the Company's "change case").
    b. For its Avoided Capacity Calculations, the Company shall:
        i. Include the 2019 generation capacity shortfall in its calculations;
        ii. Include a performance adjustment factor of 1.20;
        iii. Include the additional revenue the Company would collect by selling marginal surplus generation capacity contracts made

possible by the new qualifying facilities in the revenue requirement calculation;

iv. Revise the generation capacity payment split between summer and winter 95 percent summer and 5 percent winter;

v. Make any other adjustments needed to reflect changes to the Company's long-term resource plan since the filing of proposed PR-2 rates in this proceeding.

While the objectives of PURPA and of South Carolina law can best be met through the specific relief requested above, Conservation Groups note that SCE&G has proposed and the Commission has accepted the concept of updating avoided cost rates two or more times a year. Conservation Groups oppose updates "at least twice a year" for the reasons outlined in testimony. Given the short time span involved, however, the Commission could hold the current 2017 PR-2 rates in abeyance (re-instating the 2016 rates) until the next SCE&G avoided cost update, in order to give more time to consider factual issues and the implications of the Company's IRP.

The Commission also could adopt a simpler form of capacity calculation. A properly applied peaker method which fairly credits QF avoided capacity based on each year of the planning horizon would eliminate the problematic linkage between PR-2 capacity rates and IRP plant retirement and nuclear construction schedules. The Commission could open a separate docket for consideration of the peaker method, and direct all parties to seek agreement or settlement on such a method.

Conservation Groups close with a more general, positive observation. The conflicts in this docket arise due to a very beneficial development: solar power has

become much less expensive, and is generally less expensive than new construction of fossil fueled or nuclear power plants. In some cases, it is less costly than the operation of existing generation. Further, it can be deployed at the site of customer load, or at any place on the grid (unlike thermal plants that require access to pipelines, water supplies, and/or rail lines). Additionally, there is greater interest than ever in bringing more clean, renewable solar power to South Carolina.

This development is introducing change in numerous proceedings, including those addressing IRPs, avoided costs, and DER programs. Conservation Groups propose that South Carolina residents and ratepayers will be better served if all parties and the Commission work together towards developing new and appropriate practices, rather than adhering to outdated practices that tend to indirectly deny, or fail to accommodate these positive developments.

Respectfully submitted this 5th day of May, 2017.

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STATE OF SOUTH CAROLINA

BEFORE THE PUBLIC SERVICE COMMISSION

DOCKET NO. 2017-2-E

In the Matter of: Annual Review of Base Rates for Fuel Costs for South Carolina Electric & Gas Company	)	CERTIFICATE OF SERVICE

I hereby certify that the following persons have been served with the Petition for Rehearing or Reconsideration by electronic mail and/or U.S. First Class Mail at the addresses set forth below:

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This 5th day of May, 2017.

/s/ Lauren Bowen

Lauren Bowen
Southern Environmental Law Center